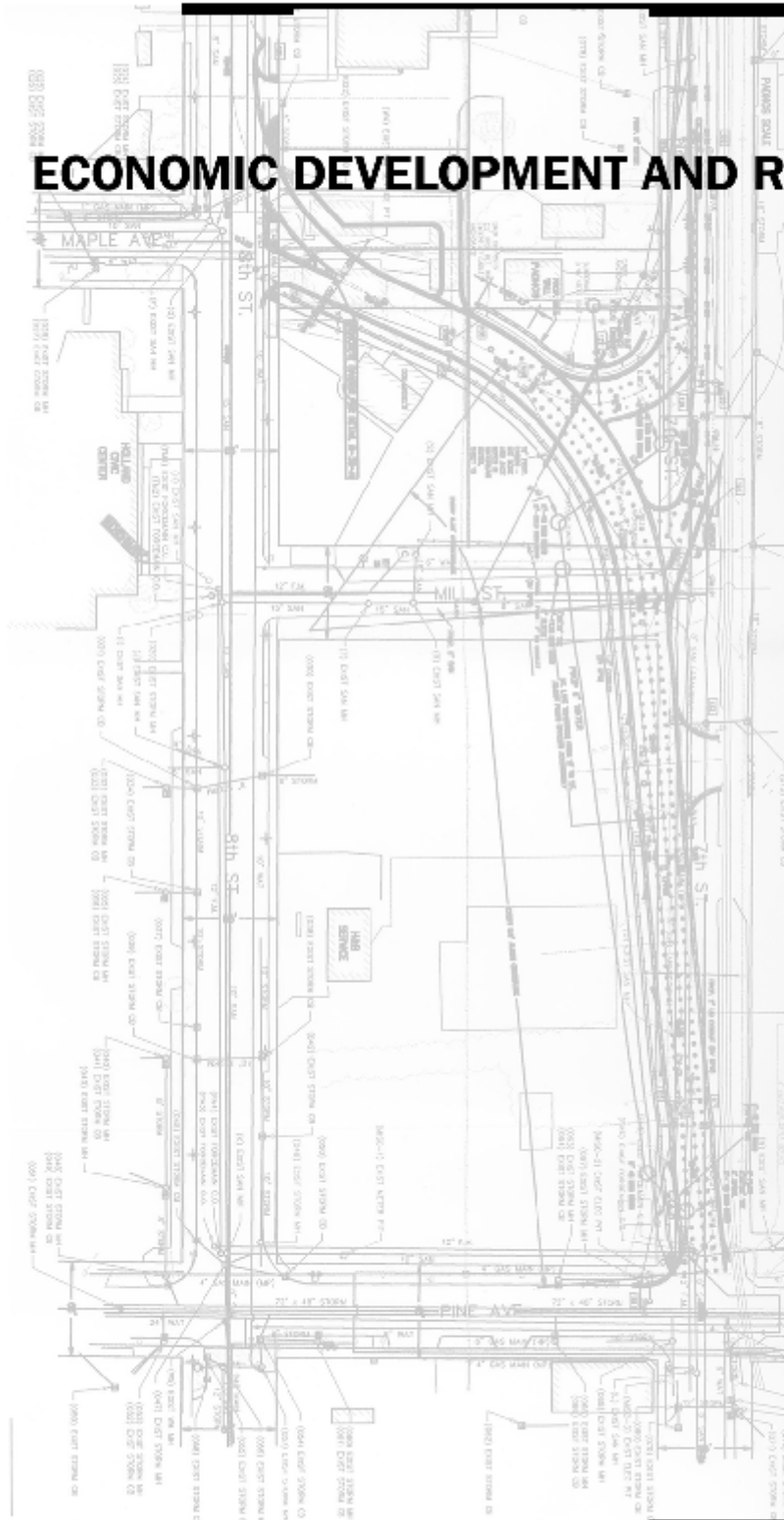


# ECONOMIC DEVELOPMENT FUND

MICHIGAN DEPARTMENT OF TRANSPORTATION



## CATEGORY A ECONOMIC DEVELOPMENT AND REDEVELOPMENT



**INSTRUCTIONS FOR APPLICANTS**  
(revised 2002)



Dear Prospective Applicant:

We are pleased to be able to make Michigan Transportation Economic Development Fund application materials available to you three in ways:

- You may request paper application materials be mailed to you.
- You may download application materials from our website and complete the paper application.
- You may use TEDS software on our website to complete and submit the application electronically.

Access our website at <http://www.michigan.gov/tedf>

If you have any questions in preparing your application(s) or require application material, please contact my office at 517-335-1069.

Sincerely,

A handwritten signature in black ink, appearing to read "Jacqueline G. Shinn".

Jacqueline G. Shinn, Administrator  
Transportation Economic Development and Enhancement Office

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## **Important - Read Before Submitting Your Application**

To speed up the process of reviewing applications, we request each applicant follow the guidelines listed below.

### **You Are Encouraged to Apply**

If you are interested in applying for Category A grants, a one-page summary Letter of Interest is available for your use prior to submitting a full application with all the required attachments. Using the Letter of Interest will allow staff to provide you with a recommendation as to whether the project meets the minimum eligibility and how best to meet the construction timetable for the road project. All Letters of Interest submitted will be reviewed and a recommendation will be made within ten days.

### **Provide Complete Information**

Fill out all requested information completely. Questions can be directed to the Transportation Economic Development and Enhancement Office at 517-335-1069.

### **Map Criteria**

Maps need to clearly show the pertinent roads and the location of the development(s). A map(s) of the regional setting of the road project and the existing transportation network should also be included. An Act 51 map or map of similar quality should be used. In addition, the maps you mail or scan in should be of high quality but the height should be no larger than 11". Spreading the contents of a large map across several pages is an acceptable solution if too much information is lost in this smaller format.

### **Photos and Videos**

Photographs or videos of the road(s) and firm(s) can assist in application review. If you wish to send a video, please keep it brief, and focus on the transportation needs of the firm(s).

### **Impact on Existing State Trunkline Roads**

Consider whether the proposed road project will have an impact on the existing state trunk lines in the immediate area. If so, contact the Michigan Department of Transportation (MDOT) Service Center nearest you, or call Andy Irwin, MDOT Bureau of Transportation Planning, at 517-335-2935.

### **Costs Above Approved Amount**

If the application is approved, funding is awarded as a grant. Costs over and above the approved grant amount will need to be covered by the road agency having jurisdiction for that road. Reimbursement from this fund will be based on actual bid costs, up to the amount approved.

### **Time Limit to Start Project**

The construction contracts of all road projects funded with Category A monies must be initiated within two years of the grant award. Projects not initiated within that time frame will be reviewed and a determination made whether to withdraw approval of the grant, or to grant an extension for completion of the project.

**Delay in Starting Project**

If, after application or approval, changes require a significant delay in either the development or the project(s), the grant approval will be withdrawn. If approval is withdrawn, the applicant must submit a new application and re-compete for funding after the delays have been resolved.

**Project Reconsideration**

If you wish to have a project reconsidered that has been deemed ineligible or not approved for funding, a new application with current signatures is required. The new application will also require a new Attachment A(s), a new Resolution(s) of Support and new Evidence of Financial Viability. Letters requesting this office review the "same application as before" will not be accepted.

**Thanks**

We appreciate your cooperation in following these guidelines. If you have any questions, please contact the Transportation Economic Development and Enhancement Office at MDOT.

Michigan Department of Transportation  
Transportation Economic Development and Enhancement Office  
425 W. Ottawa  
Lansing, Michigan 48933  
[TEDSSupport@michigan.gov](mailto:TEDSSupport@michigan.gov)

Phone: 517-335-1069  
Fax: 517-373-2687

## **Eligibility**

CATEGORY A of the Transportation Economic Development Fund provides funding for road projects related to economic development and redevelopment opportunities in specific target industries.

## **Eligible Applicants**

Eligible applicants for Category A funding include all Act 51 recipient governmental units. Those units are:

- Michigan Department of Transportation
- All county road commissions
- All city and village road agencies

Economic development corporations or private developers must work with one or more of the eligible applicants to access this fund.

## **Eligible Projects**

In order to be eligible for Category A funding, projects must satisfy the following requirements:

### **Need**

A particular transportation need must be shown to exist in one or more of the following categories: capacity, condition, safety or accessibility.

### **Industry**

The economic development project must relate to one or more of the following target industries:

- Agriculture or food processing
- Tourism
- Forestry
- High technology research
- Manufacturing
- Mining
- Office centers of not less than 50,000 square feet

### **Jobs**

The economic development project must create or retain permanent jobs. Retained jobs are those that would be transferred outside of Michigan or lost due to closure of the firm.

### **Local Economy**

The economic development project must increase the tax base of the local area if the project applicant is a local unit of government, and have an immediate and positive impact on local employment and the economy.

### **Negotiations in Progress**

Negotiations between an appropriate agency and developer(s) shall be in progress regarding a location or retention decision.

### **Non-transportation Infrastructure**

Non-transportation infrastructure and support services necessary to the economic development project must be available, underway or have been committed.

### **Resolution of Support**

Applications must be accompanied by a "resolution of support" from the appropriate unit(s) of government.

### **Matching Funds**

Matching funds of at least 20 percent of the total cost of the transportation project are required. Full or partial waivers of match may be approved if the applicant can demonstrate significant economic need. Additional consideration will be made when matching funds exceed the minimum 20 percent.

### **Immediate and Non-speculative**

Transportation projects related to an immediate and non-speculative economic development will require:

- A schedule for completion of the economic development project
- A description, schedule, and funding plan for the proposed transportation improvement
- A list of all applicable permits required for the economic development project and transportation improvement along with the status of obtaining the permits
- Evidence of financial viability of the economic development projects

### **Redevelopment of an Area**

Transportation projects related to the redevelopment of an area will require:

- A schedule for completion of the economic development project
- A description, schedule, and funding plan for the proposed transportation improvement
- A list of all applicable permits required for the economic development project and transportation improvement along with the status of obtaining the permit
- Negotiations must be in progress with a potential firm
- Coordination with appropriate agencies regarding site development and/or match participation (e.g. environmental clean-up, infrastructure development, modifying existing buildings, etc.)

## Overview of Instructions

Please read the instructions thoroughly before completing the application. Some of the information requested may be cross-referenced.

### Letter of Interest Form

The Letter of Interest Form is a single page form used to initiate the application process. This Letter will allow staff to determine if the proposed project meets all the eligibility criteria and provide feedback which could be helpful in developing a full application.

### Application Page

The application form for Category A funding is a one-page summary of contact person and traffic information related to the overall development.

### Attachments

The bulk of the information necessary for evaluation will be provided in Attachments A-H. If submitting on paper, clearly list the appropriate attachment letter at the top of all attachments. The following attachments are required for each application:

- *Attachment A-1*: Economic development information from the company or firm (one form for each company or firm) for new or expanding developments. **or** *Attachment A-2*: Redevelopment information for firms which have closed or are closing.
- *Attachment B*: Evidence of financial viability of the economic development project from the company or firm for new or expanding developments **or** evidence of viability of the developer(s) for redevelopment projects.
- *Attachment C*: Resolution(s) of support from the appropriate local governments and affected parties.
- *Attachment D*: Site plan showing the proposed construction or expansion, or changes to the development.
- *Attachment E*: Environmental clearance documentation or social, economic, and environmental factors for the entire project area.
- *Attachment F*: Transportation project information (one form for each separate transportation project). Look at page 8 for information on how to separate transportation projects.
- *Attachment G*: Costing worksheet for the transportation project (one form for each separate transportation project).
- *Attachment H*: Maps and plan view sketch of the transportation project.

### Additional Information

During the course of evaluating the applications, additional information from the applicant may be required. If so, staff from the Economic Development and Enhancement Office will notify the contact person listed on the Application Page.



## Separating Transportation Projects -

### Definitions and Examples

Your project may need to be divided into several different projects in order to apply for this funding. Consider these factors:

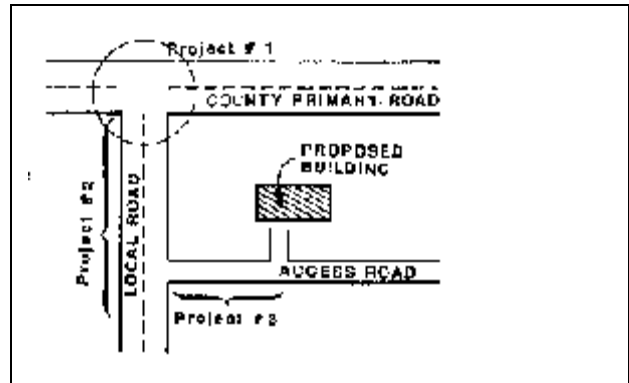
- A separate transportation project is required for "a road segment that differs due to a jurisdictional, traffic or condition change."
- Structures are considered a separate project from roads.

**Please Note** - Attachment F is required for each separate transportation project.

### Examples of How to Divide Projects

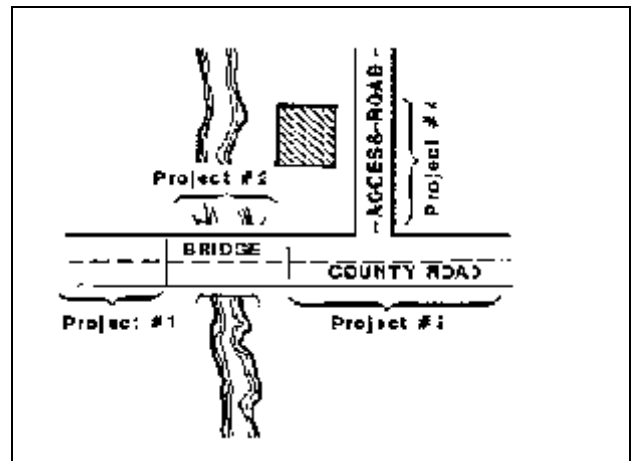
*Example 1:* This economic development requires **three** transportation projects:

- #01 - Construction of turn lanes on a county road.
- #02 - Widening of local road.
- #03 - Construction of an access road.



*Example 2:* This economic development requires **four** transportation projects:

- #01 - Widening county road from two lanes to four.
- #02 - Widening bridge from two lanes to four.
- #03 - Widening county road from two lanes to four.
- #04 - Construction of access road.



***Application Page (first page)***

**Item 1 - Lead Agency**

Indicate which agency is the applicant. If multiple road jurisdictions are involved, indicate the "lead" agency responsible for coordinating the overall project and application.

***Please note*** - The only eligible applicants are Michigan Department of Transportation, county road agency, or city or village street agency.

**Items 2, 3, 4 - Road Agency Contact**

List the name of the road agency name, contact person, mailing address, county and telephone number for the road agency. If the application is submitted jointly by two or more agencies, list the cooperating agencies on a separate sheet and enter them into the application as a Supporting Document. Include the agency name, mailing address, and telephone number for every agency listed.

**Item 5 - Contact for Follow-up Questions**

Although the road agency is the formal applicant, others may be more familiar with the development and the proposed road project. If that is the case, indicate in Section 5 who should be contacted by staff from the Economic Development and Enhancement Office for follow-up questions.

**Item 6 - Resubmit an Application**

There are no limitations on submitting a grant application more than once for a single project. Indicate whether the request has been submitted previously. Please note: If the request has been submitted before, photo copies of the previous application will not be accepted. A new application with current signatures will be needed, along with a new Resolution(s) of Support and new Evidence of Financial Viability.

**Development Traffic Generation Section**

**Item 7 - Increased Traffic Data**

Identify the increased traffic expected to be generated by the economic development or redevelopment, including the total daily trips, daily commercial trips, peak-hour trips, and peak-hour commercial trips.

For Peak Hour Trips and Peak Hour Commercial Trips, list both the number of trips and the hour of occurrence.

Indicate the traffic increase at opening (time of construction of the first transportation project). In addition, if the development is phased, complete the traffic data at build-out (completion of final phase of the development).

Indicate by percentage, the direction of the origination and destination points of traffic generated by the development.

In the case of redevelopment projects, estimates should be based on the firm(s) with which

the applicant is negotiating.

**Attachment A - 1**  
**New or Expanding Developments**

**Who Should Complete It**

- This attachment should be completed by a representative of the company or firm planning to create or retain jobs.
- One form will be needed for each company or firm involved.
- The company/firm representative responsible for filling out the attachment should certify with his/her signature that all the information is true.

**Item 1 - Economic Development Identification**

List the name of the contact person, name of company or firm, mailing address, and telephone number for each company/firm occupying the economic development. Also list the primary standard industrial classification (S.I.C.) code and federal tax identification number for the company/firm.

**Item 2 - Development Investment Amount**

Indicate the investment amount for the total development. If the development is constructed in stages, indicate the amount for each stage.

**Item 3 - Describe the Firm/Company and the Project**

Enter a brief description of the economic development project, including the firm/company, type of product and major activities.

***For example** - Allied, Inc. is a manufacturer of plastic widgets. The expansion of the firm at this site will support their new fabricating operation for the manufacturing of metal widgets.*

**Item 4 - Number of Full-Time Equivalent Jobs**

List the number of jobs, average annual salary, and year to be hired for **all** employees at that site.

***Please note** - The salary amount is the average annual salary for that group, rather than the total salary for all employees, or their hourly rate.*

**Definitions**

Following are definitions for the job types listed on Attachment A:

**Currently Employed** - For a plant or business already located and planning an expansion, the current jobs are those already filled. For a new firm or an out-of-state plant or business establishing a new location in Michigan, the number of employees can be listed as zero.

**Jobs Lost to Michigan** - Jobs are considered lost only if an existing Michigan firm

is seriously considering leaving the state, closing operations within Michigan, or laying off employees. If this is the case, the jobs lost would be those current employees who would be laid off or transferred out-of-state.

**Transfers into State** - Transfers into the state are the number of current out-of-state jobs which will be relocated to a plant or business site in Michigan.

**Newly Created Jobs** - New jobs are those that will result from the establishment of a new firm or an expansion of an existing firm. When the expansion of an existing firm results in the return of employees previously laid-off, list those job numbers as newly created with a note indicating "recalled from lay-off." If the jobs being created or transferred are planned over a several year period, identify the jobs by year.

### **Item 5 - Estimate the Net Change in Governmental Revenues**

For both taxes listed, estimate the net increase in governmental revenues expected to result from the economic development project within the first year after completion of the development. If the project is intended to retain jobs in danger of being lost to Michigan, estimate the net reduction in local tax base which will be averted by retaining the jobs. If the development project requires multi-year phasing, list the expected net increase or decline averted by year (not to exceed five years). Identify the local governmental entity(ies) receiving the tax revenues.

### **Item 6 - Office Development Center**

#### **Eligibility**

If the proposed project(s) is for an office center development, provide the total square feet of all buildings within the economic development, and the total square feet to which the tenants have committed.

According to the enabling legislation for the Economic Development Fund, office centers are defined as those "not less than 50,000 square feet." However, legislation also requires the developments served by EDF grants be immediate and non-speculative. In order to minimize the risk of granting EDF dollars to speculative office centers, a commitment by tenants is required for a minimum one-half the floor space.

In addition, commercial/retail enterprises have been excluded as a target industry. Therefore, in determining whether an office center is eligible for EDF funding, the 50 percent minimum commitment will be limited to administrative, non-commercial firms.

### **Application Requirements**

**All Tenants** - For office center developments, all committed tenants must each complete items 1-5 of an Attachment A-1 as well as sign the certification statement.

**Owner/Developer** - The owner or developer of the office center must provide a separate, complete Attachment A-1 for the overall office center (job data would be provided only if applicable).

**Item 7 - Tourism**

**Commercial Excluded** - Tourism projects are defined as supporting the "natural, historical, and cultural resources of Michigan." In keeping with the other target industries, care has been taken to exclude the commercial aspect of the tourist industry. Transportation projects serving commercial developments (e.g. hotels, shopping malls, restaurants, etc.) **are not** eligible for Category A funding.

**Definition** - The basic question in determining whether a project is an eligible tourist project is: Does it attract tourists, or does it merely support the influx of tourists visiting the attraction? Hotels and restaurants may respond to the needs of the tourists, but are not what attracts the tourists into the area. Applications which are based upon tourism as the target industry should focus on what attracts the tourist to visit the area.

**Eligibility** - The eligibility of an attraction as a target industry will be based in part upon the nature of the tourist development:

- Does it attract a significant portion of both in-state and out-of-state visitors?
- Do most visitors at the development stay at least one night within the area?

**Please note** - It is not necessary for the applicant to survey restaurants, lodgings or other service industries to estimate jobs that are indirectly related to the tourism development. The information that is provided in Attachment A on visitation and direct jobs will be used by the Economic Development and Enhancement Office to estimate the economic impact of the development.

**Data** - If the proposed project(s) is for a tourism development, list the current number of visitors to the area on an annual basis, as well as the estimated increase (according to season). An example is shown below.

	Winter	Spring	Summer	Fall	Total
Current Visitors	200,000	400,000	600,000	800,000	2,000,000
Estimated Increase	0	20,000	60,000	120,000	200,000
Total Visitors	200,000	420,000	660,000	920,000	2,200,000

**Average Duration of Visit** - Also, list the average duration of visit and estimate the percentage of visitors from outside Michigan. If the tourism development primarily attracts visitors for day-long visits, indicate the duration of visits by the average number of hours spent at the development. If the development primarily serves visitors staying overnight, indicate the duration of visits by the average number of days.

Indicate whether visitors to the tourists attraction would require lodging or camping facilities. Day events would not require lodging or camping facilities.

### Item 8 - Location Factors

Describe the location factors considered, including other locations considered, if any, and how the transportation project(s) relate to the firm's decision to locate at that site or expand the existing facility (i.e. time-saved, reduced freight charges, reduced operating cost, or accidents avoided).

**For example** - This company is relocating to a larger site to allow for necessary expansion. Other locations considered did not provide quick access to suppliers. The proposed transportation projects will shorten delivery time and reduce the cost of transporting goods. The savings in transportation cost is between \$5,000 - \$7,000 per year.

### Item 9 - Seasonal Load Restrictions

Indicate whether the proposed road project is for a road which is subject to seasonal load restrictions. If so, explain what changes result in shipping goods during that time and estimate the impacts of the shipping limitations caused by the lack of an all-season road. Following are two examples:

**Example 1** - We store grain until it needs to be shipped for processing. Frost weight limitations last for a period of five to ten weeks. During that time, the weight restrictions limit load size in the delivery of the grain. An additional cost of \$15 to \$20 per ton to ship the grain results in an average increase in cost of \$2,200 per week.

**Example 2** - We receive fertilizer and other items on a daily basis for our farming. Frost weight limitations last for an average period each year of ten weeks. During that time, the weight restrictions limit load size in the delivery of the fertilizer. The cost incurred in contracting for "off-loading," double-trucking (with partial loads), storage and insurance for 65 semi-loads of fertilizer is quite high. The "off-loading" of fertilizer may soon be disallowed for environmental reasons. If so, 20 people at \$300 per week would be laid off in addition to the below costs:

\$25,000	Double-Trucking
8,000	Off-Loading
<u>3,000</u>	Insurance & Storage
\$36,000	Total for 10-Week Average

### Item 10 - Current Status

Indicate the current status of the economic development and the expected completion date for the construction, relocation, or expansion.

### Items 11 & 12 - Land Acquisition

Indicate the status of land ownership for the economic development site. If the company, firm, or developer is in the process of negotiating a purchase or has an option to purchase, indicate the expected date of ownership.

**Item 13 - Non-transportation Infrastructure**

Indicate the availability of the non-transportation infrastructure or support services necessary to the economic development (gas/electric/water/sewer/storm). If the infrastructure or support service is committed or currently underway, indicate the expected date of availability.

**Item 14 - Renaissance Zones Indicator**

Check this item if you are in a renaissance zone.

**Certification Statement**

The company/firm representative responsible for filling out Attachment A must certify with his/her signature that all the information provided is true. Attachment A forms signed by road agency or economic development staff are not accepted and will require contact with the firm to verify the accuracy of the information.

**Sensitive Information**

**If any of the information is of a sensitive nature, the company or firm representative should indicate so. Review staff will pay particular attention that the sensitive information is not shared in any public documents.**

**Verification**

MDOT's Economic Development and Enhancement Office is required to follow-up with the firm after the expansion/location is complete to verify actual job creation and development investment. A letter will be sent to the firm's contact person at that time for response to the Economic Development and Enhancement Office.

## **Attachment A - 2 Redevelopment Projects**

### **Who Should Complete It**

This attachment should be completed by a representative of the agency planning and coordinating the redevelopment effort. The agency representative responsible for filling out the attachment should certify with his/her signature that all the information is true.

### **Item 1 - Identify Closed/Closing Firm**

List the identifying information for the firm which is closing or has closed, including the name of the firm, and the address and city where the firm was located. Also indicate what type of activities the firm was engaged in prior to closing. For example: auto manufacturing plant.

***Please note** - The firm which has closed or is closing does not have to be a target industry firm. However, the redevelopment plan must be for the purpose of attracting a firm(s) which would qualify under the target industry requirement.*

### **Item 2 - Jobs Impacted**

Indicate the number of people employed at that site prior to closing, and the average annual salary for those employees.

***Please note** - The salary amount is the average salary for that group, rather than the total salary for all employees.*

In cases where the firm has already closed, list the length of time the jobs have been lost. If the firm has plans to close, list the planned closure date.

### **Item 3 - Displaced Workers Employed Locally**

Indicate how many of the displaced workers have found other employment in the community. Also, if there have been efforts made to assist former employees in locating new employment, list the number of displaced workers likely to find employment locally.

***For example** - A company has made a decision to close and a staff person(s) has been assigned to assist employees in finding local employment. A second company in the area is in the process of expanding and the staff person(s) works with the second company to determine how many employees could be hired.*

### **Items 4 & 5 - Displaced Workers Transferred**

Indicate how many of the employees will be transferred to other sites owned by the company, rather than being laid-off.

List the location of the other plant, including city and state, where employees have been/are being transferred.



### **Item 6 - Retraining**

Describe any retraining efforts which are planned or have been conducted for the employees who will be laid-off. Include the time frame for the re-training effort. If the training has already occurred, describe the results (e.g. the number of employees employed in other fields, which fields they have found employment in, etc.).

### **Item 7 - Anticipated Full-Time Equivalent Jobs**

One of the requirements for a project to be eligible for redevelopment support is that negotiations must be in progress with a potential firm considering locating at the redevelopment site. The information provided in item number 7 should be based on discussions with the potential firm(s).

#### **Number of Jobs**

List the number of jobs, average annual salary, and year to be hired for all employees who will be located at the redevelopment site. In addition, list the type of industry and the standard industrial classification (SIC) code for the firm(s). If the redevelopment plan includes multiple firms, list jobs by type of industry (e.g. manufacturing, office center, etc.).

**Please note -** *The only jobs which should be listed must be for a firm which qualifies as a target industry (see page 2).*

#### **Eligible Redevelopment Jobs**

Following are definitions of the two job types which can be considered as eligible redevelopment jobs:

**Newly Created Jobs** - New jobs are those that will result from the establishment of a new firm or an expansion of an existing firm. When the expansion of an existing firm results in the return of employees previously laid-off, list those job numbers as newly created with a note indicating "recalled from lay-off."

**Transfers to the Site** - Transfers to the site include either out-of-state jobs which will be relocated to the redevelopment site, or may include jobs transferred within the state. If the jobs are being transferred from one Michigan community to another, explain why and whether other locations outside Michigan were considered. Attach additional pages for the explanation if necessary.

### **Item 8 - Local Tax Impact**

Indicate the impact on the local tax base as a result of the planned redevelopment. Check whether the city collects income tax and, if so, the amount of taxes expected to be generated by the jobs estimated to result from the redevelopment.

Also, indicate the amount of property tax being paid by the firm which is closing/has closed, the property tax the new firm(s) is expected to pay, and the net change between the two

(increase or decrease).

If the net change is a decrease from the current property tax being paid, explain the reasons for the decrease.

**For example** - *The negotiating company is interested in a tax abatement. If approved, the current property tax will be reduced 50 percent for the next ten years.*

#### **Item 9 - Community Income/Redevelopment Area**

Check whether the redevelopment site is located in either a low or moderate income community, as defined by the Michigan Department of Commerce, or a federal redevelopment area, as designated by the federal Economic Development Authority.

#### **Item 10 - Other Economic Stress Indicators**

Include any additional evidence of chronic economic distress in the community (e.g. high unemployment over an extended period of time, multiple plant closings in the recent past, etc.).

#### **Item 11 - Strategy for Redevelopment**

Describe the planned strategy to redevelop the site. The strategy should be based on negotiations with the firm(s) considering locating at the site. Include the status of negotiations with the firm(s). The results of any studies used to determine the viability of redeveloping the site should also be included.

#### **Item 12 - List the Firms**

List the names of the firm(s) with whom negotiations are currently in process regarding locating at the redevelopment site, and the month and year the firm(s) plans to locate at the site.

**Please note** - *Negotiations with a firm does not imply a commitment by that firm to locate at the site. If a firm(s) has made a commitment to locate at the site, use Attachment A-1 for "New and Expanding Development."*

#### **Item 13 - Buildings and Infrastructure**

**Buildings** - Indicate the year the buildings were constructed and the date of the most recent occupancy inspection. Based on the occupancy inspection, indicate whether the building meets all the requirements of the city code. If not, explain what areas need to be corrected and the measures planned to correct those areas.

In addition, if there have been recent renovations or upgrades of any of the buildings, additional information can be provided on a separate page.

**Infrastructure** - For water lines and sanitary and storm sewers, list when the lines were installed, indicate any maintenance performed within the last several years, and any anticipated problems or planned improvements in the near future.



#### **Item 14 - Estimated Cost to Redevelop Site**

Based on the current condition of the buildings and infrastructure, indicate the estimated cost to redevelop the site for future use. The cost estimate should not include the costs associated with the transportation project. The transportation project costs will be included on Attachment F.

#### **Item 15 - Total Square Feet of Buildings**

**Current** - Indicate the total square feet of the building(s) currently at the redevelopment site. In the case of multiple buildings, provide one figure for the total of all buildings.

**Future** - Provide the same information for the building(s) planned to result from the redevelopment strategy. This information should be supported by the site plan which is required (Attachment D).

***Please note** - If the plan is to redevelop the site to house an office center, the total square footage for the office center building(s) must be at least 50,000 square feet.*

#### **Item 16 - Permits**

If there are permits required to complete the redevelopment of the site, indicate the status of obtaining the applicable permits. If the permit request is in process, also indicate when the permit is expected to be obtained. If there are permits required for environmental factors, provide that information on Attachment E (Social, Economic, and Environmental Factors).

#### **Item 17 - Planning/Financing Participants**

List all agencies, both public and private, who have participated in planning the redevelopment and/or have or will contribute financially to the redevelopment. If an agency has or will provide funding, list the amount and year(s) of the financial participation. Requested grant monies from Category A of the Transportation Economic Development Fund should not be included.

#### **Certification Statement**

The representative of the agency planning and coordinating the redevelopment effort must certify with her/his signature that all the information provided is true. Please include the name of the agency represented and the telephone number for the representative. If questions arise during application review, staff from the Economic Development and Enhancement Office will contact the agency representative.

#### **Sensitive Information**

**If any of the information is of a sensitive nature, the company or firm representative should indicate so. Review staff will pay particular attention that the sensitive information is not shared in any public documents.**

## ***Attachment B***

### ***Evidence of the Financial Viability of the Firm(s) and Developer(s)***

#### **The Firm(s)**

##### **Need for Evidence**

Legislative mandate requires a determination that new and expanding developments served by the Economic Development Fund be "immediate and non-speculative." The purpose for that mandate is to insure public monies for road improvements are not expended for developments which will not occur. Evidence of financial viability of the company or firm is a piece of information examined to determine whether the development meets that criteria.

While there is some latitude in the type of evidence which can be submitted, failure to submit any evidence will jeopardize the granting of funds. The Economic Development and Enhancement Office will work with applicants to determine the viability of a development; however, requests for additional information will take time and will delay consideration of your application.

##### **Types of Evidence**

Due to the differing types of industries and sizes of companies or firms served by the fund, there is a great disparity between the types of evidence available. Following are examples of evidence of financial viability which will allow the Economic Development and Enhancement Office to determine whether the development is non-speculative:

**Annual Report** - larger, publicly-held companies generally have a report to their stockholders available.

**Letter of Reference** - smaller companies or firms may have to rely on references from credit organizations, e.g. letters of credit. The references should demonstrate an existing relationship with the company or firm.

*Examples of Evidence*

*Example - Reference Letter No. 1 - Evidence of Financial Viability*

Economic Development Corporation

Date

To Whom It May Concern:

No governmental financial support is involved in these expansion projects and none of the firms are located in a Tax Increment Finance (TIFA) district.

All of these firms have been financially screened by the Economic Development Corporation (EDC) as a condition of their establishment in the Industrial Park. The analysis utilized by the EDC in its normal course of industrial development relies on an investment banking approach, and requires the review of historical financial reports, multi-year pro forma projections and evidence of sufficient private financing to accomplish the projections. All firms included in this application have credible existing track records and have been determined to be viable development projects by the EDC.

The following company histories provide an overview of the firms for your review.

Firm Name:

Parent Company:

Owners:

Plants:

Officials:

Sincerely,

Economic Development Corporation

*Example - Reference Letter No. 2 - Evidence of Financial Viability*

National Bank

Date

To Whom It May Concern:

This letter is submitted to advise that the \_\_\_\_\_ National Bank is cognizant of the proposed expansion program at the \_\_\_\_\_. The \_\_\_\_\_ National Bank has been the primary lender to \_\_\_\_\_ for the past 12 years. We have routinely made loans to \_\_\_\_\_ for its expansion projects.

I consider the proposed project to be economically viable and to be credit worthy.

I therefore pledge our financial support to them on terms as used in prior financing to them.

Sincerely,

President  
National Bank

*Example - Reference Letter No. 3 - Evidence of Financial Viability*

Bank of Hometown

Date

To Whom It May Concern:

At the request of \_\_\_\_\_ we write this letter of credit reference.

The \_\_\_\_\_ have banked with our bank for over forty years. I have personally known of the family and farm operations for twenty-five years.

\_\_\_\_\_ Farms and the \_\_\_\_\_ families are one of this Bank's most valued customers, maintaining deposit balances in excess of six figures. In addition, we know them to be honorable people, who will honor agreements they become a party to.

Should you have any further questions, please do not hesitate to ask.

Sincerely,

President  
Bank of Hometown



### **Evidence of Viability of the Developer(s)**

In order to determine the viability of the proposed redevelopment, information is required on the lead company or agency involved in developing the property for new use.

Information should include the name, address, and contact person, a summary of similar projects undertaken, and results of the development or redevelopment efforts. Any additional background information on the firm may be provided as appropriate.

### **Attachment C**

#### ***Resolution(s) of Support***

Project eligibility requires that a RESOLUTION(S) OF SUPPORT from the appropriate local government(s) be provided. The resolution(s) must indicate support for the development, and a commitment by the affected governing jurisdiction to provide at least 20 percent of the total cost of the transportation project, as well as to maintain the new or improved highway, road or street.

If any of the project costs will be paid for with school taxes captured through a Tax Increment Finance (TIFA) district, a letter of support from the local school district will be necessary. If the TIFA monies involve captured non-school taxes only, a letter from the local school district will not be needed.

If there are any controversies regarding either the development or the transportation project (e.g. protests by a neighborhood group, concerns from planning agencies, etc.), provide a summary of the controversy, measures taken to respond or correct, and the current status.

### **Attachment D**

#### ***Site Plan***

A site plan is required showing the proposed construction or expansion, or changes planned to the existing development. A detailed blueprint is not required as part of the application for the site plan. A standard 8-1/2- by 11-inch plan is adequate.

The site plan of the development should clearly demonstrate the location of the building in relation to the transportation project, the dimension of the building, access and parking, etc. Also, this site plan should indicate the location of entrance and egress points. This information is necessary to determine whether there is a transportation need, what safety factors should be considered, and how critical each individual road project is to the development.

## ***Attachment E - Environmental Clearance Documentation or Social, Economic and Environmental Factors***

### **Purpose**

The intent of this attachment is to demonstrate that the applicant has adequately considered the environmental consequences of the transportation project(s). The applicant is responsible for complying with all local, state, and federal environmental laws, regulations and requirements for the project.

### **Reviewers will consider:**

- The accuracy of the information supplied.
- The likelihood that the project will be able to comply with the environmental requirements in the time frames indicated.
- Whether the proposed project is practical from an environmental standpoint.
- Is it clearly demonstrated that:
  - All potential environmental problems have been accurately identified?
  - The applicant has appropriately dealt with those issues, or has a reasonable strategy for dealing with the issues?
  - The applicant is willing to, and can, comply with all environmental requirements?

### **Do you need to complete Attachment E?**

**No** - If environmental documentation has been previously prepared for the economic development or transportation projects, attach a copy of the documentation to the application, along with any Michigan Department of Transportation or Federal Highway Administration approvals.

**Yes** - If no previously approved environmental documentation is available, the applicant must complete Attachment E (Social, Economic, and Environmental Factors), with the proposed schedule for preparing the environmental documentation. Address all proposed transportation projects together in a single Attachment E.

### **Proposed Project**

#### **Location**

Include the route number/street name, termini, city/village/township, and county.

#### **Description**

Describe the scope of the proposed work in as much detail as possible, including areas of impact, grading, ROW required, etc., as appropriate.

#### **ROW/Grading Permit Required**

- Check if fee right-of-way and/or grading permits are required. If checked:
- How much right-of-way is required?
- Where are the proposed right-of-way sites?
- How many grading permits are needed?
- Where are the grading sites?



### **Work Outside Existing Shoulders or Curbs**

- Check if there is any proposed work outside the existing shoulder points or curbs. This includes work in the median of boulevards or freeways.
- If checked, how far does the work extend beyond the shoulders, curbs, or medians? How extensive is the work?

### **Major New Construction**

- Check if the proposed project includes any one of the following: widening one or more lanes; bridge construction or replacement; roadway extension; new bypass or interchange; new facility on new location; etc.
- If checked, what type of new construction is planned?

### **Description of Setting**

Include a brief description of the former and present land uses in the project area and immediately adjacent to the project (including the Economic Development project area).

### **Review of Environmental Factors**

#### **General Directions**

- Effect - If there is an impact or effect on a particular factor, mark "yes." If "yes" is marked, a full description of the extent of the impact(s) should be provided on the reverse side of the attachment, under "Impact Evaluation."
- No effect - If there is not an impact or effect on a particular factor, mark "no." If "no" is marked, no further review of that factor is necessary.
- Unknown - If the extent of impact is not known, leave the "Impact" column blank and explain under "Impact Evaluation."

### **Determining Impact**

Use the following guidelines to identify which factors may be impacted by the proposed project.

#### **Factor 1 - Displacement of Residence or Business**

Will businesses or residences be displaced?

- If yes, how many and what type?
- Are the units occupied?

#### **Factor 2 - Disruption of Neighborhoods**

Will neighborhoods be split or community facilities separated from residents by a new or widened roadway? If yes, will residents have access to the same or similar facilities after the project is completed, although they may be less convenient to reach?

### **Factor 3 - Agricultural**

- Will prime or unique farmlands (including non-active farmlands) be purchased for proposed right-of-way? If yes, how much farmland will be purchased?
- Is the land actively farmed? If yes, what type of crop is produced?
- Is any portion of the project's property enrolled in the Farmland and Open Space Preservation Act, 1974 PA 116 program?  
Contact the Michigan Department of Natural Resources (MDNR) at 517-373-3328, a local zoning official, or the Soil Conservation Service at 231-876-0328 to determine if there are prime or unique farmlands or Act 116 lands on the proposed right of way.

### **Factor 4 - Recreational Lands**

- Will any part of a publicly-owned park, recreation area, or wildlife or waterfowl refuge receive grading, or be purchased for proposed right-of-way? If yes, how much recreational land will be purchased?
- What type of recreational activity occurs at the site?
- What activities will still be possible on the remaining property?

### **Factor 5 - Historic/Archaeological**

- Will there be work in, or adjacent to, a designated historic or archaeological area? If yes, describe the historic/archaeological site.
- How will the proposed work affect it?

Contact the Michigan Historical Center, Michigan Department of State, Environmental Review (517-335-2721), to determine if there are historic/archaeological sites in the area of the proposed work.

### **Factor 6 - Wetlands**

Will the project:

- Cross wetlands at a new location?
  - Place roadway embankment fill, bridge, or culvert into wetlands along watercourses?
  - Place grade lifts with toe of slopes which will extend into adjacent wetlands?
- If yes for any, describe the type and extent of the work.

Contact the district office of the MDEQ to determine if wetlands are located in the project area.

### **Factor 7 - Streams/Lakes/Drains/State Natural Rivers/Federal Wild and Scenic Rivers**

Will the project :

- Cross watercourses and require widening, replacing, or constructing a bridge?
  - Require replacing, extending, or constructing a culvert?
  - Require channelization of a stream, or any out-letting into a watercourse?
- If yes for any, describe the type and extent of the work.

### **Factor 8 - Rivers Permit**

- Will the project require widening, replacing, or constructing a bridge?
- Will the project require extending, replacing, or constructing a culvert?
- Or will it require channelization of a stream or placement of road embankment fill at the approach to a bridge or culvert or paralleling of a stream?
- Or will it require improving access to an area near a watercourse?

If yes for any, describe the type and extent of the work.

### **Factor 9 - Flood Plains**

Will the project require any work described in items 6, 7, or 8?

If yes, a permit may be required.

- A 404 permit is needed to discharge dredged or fill material into water.
- A 10 permit is needed to work in, over, or under navigable water.
- An Act 451, Part 301 permit is needed for any activity affecting an inland lake or stream. An Act 451, Part 303 permit is needed to dredge, fill, or drain surface water; or construct, operate, or maintain any use or development in a wetland.
- An Act 451, Part 31 permit is needed to occupy, fill, or grade lands in a flood plain.
- An Act 451, Part 31 permit is needed to construct, dredge, fill, or grade in a high risk erosion area, flood risk area, or designated environmental area; or alter drainage or vegetation.

Check the permit(s) needed and give a schedule for obtaining the permit.

Contact the district office of MDEQ to determine which, if any, permits will be needed.

### **Factor 10 - Coastal Zone/Critical Dune Protection Area**

Is the project in a county adjacent to one of the Great Lakes or a connecting waterway, and will work extend beyond the existing curb or shoulder?

- If yes, will the work affect any waterway?
- If yes, how?

Contact MDEQ to determine if the project is located within a coastal zone.

### **Factor 11 - Endangered Species/Permit Required**

Will there be work outside the existing shoulders or curbs, road widening, bridge widening/replacing, or culvert extending/replacing?

- If yes, contact MDNR's Wildlife Division at 517-373-1263 to determine if threatened or endangered plant or animal species are located in the project area.
- If yes, describe the type and population, of threatened or endangered animal or plant species in the project area.

### **Factor 12 - Tree Removal**

Will trees be removed?

- If yes, is the area of removal residential or does it have important cultural or natural scenic resources?
- Will tree removal be controversial?

### **Factor 13 - Inconsistent with Local Development Plans**

- Is the project consistent with local development plans?
- Describe any inconsistencies with local development plans.

Contact the local planning agency or governmental unit to determine consistency with development plans.

### **Factor 14 - Change in Developed Land Uses**

- Will there be any changes in developed land uses due to construction?
- Will acquisition of right of way reduce the use of any properties (such as reclaiming right-of-way which a business was using for parking)?
- If yes, what changes will occur?

Contact the local planning agency or governmental unit for land use information.

### **Factor 15 - Change in Access Control or Level**

- Will the project change access from free to limited (reducing access) or from limited to free (increasing access)?
- Is the project on a new location (which will provide new access)?
- Or will it permanently close a local road or any existing driveways? If yes for any, how will access be changed?
- Will there be a loss or change of parking? If yes, describe.

### **Factor 16 - Change in Facilities for Pedestrians or Bicyclists**

- Will existing pedestrian and/or bicyclists facilities be changed or removed? If yes, describe.
- Will any pedestrian/bicyclist facilities still be available?

### **Factor 17 - Detour/Temporary Road/Ramp Closure**

Will a detour, temporary road or ramp closure be needed? If yes, which streets will be used for the detour, how long will the detour last, how long is the detour route, and what upgrading is needed to prepare for the detour (such as signalization or street improvements)?

### **Factor 18 - Hazardous Waste**

Contact MDEQ's Environmental Response Division at 517-373-9540 to determine if hazardous waste sites are located in the project area (including grading and proposed right-of-way sites).

- If there are, describe the sites and the extent of contamination.
- Conduct a site inspection to determine possible contamination.
- Will there be grading?

- Is right-of-way needed?

**Factor 19 - Noise**

- Will a detour be used?
- Will there be major new construction?
- Will the project move traffic closer to residences, schools, churches, or other noise-sensitive sites?
- Will future traffic increase noise levels at sensitive sites? If yes, what change in noise levels is expected?
- Will increases be temporary or permanent?

**Factor 20 - Air Quality**

- Will a detour be used?
- Will there be major new construction?
- Will the project move traffic closer to residences, schools, churches, or other sensitive sites?
- Will future traffic decrease air quality levels at sensitive sites? If yes, what change in air levels is expected?
- Will decreases be temporary or permanent?

**Factor 21 - Subject of Controversy**

- Are there any issues which may cause controversy?
- Has opposition already developed? If yes, what is the subject, and extent, of the controversy?

**Factor 22 - Any Other Issue**

- Are there any special issues which may affect the proposed project? If yes, describe the issue and how it may affect the proposed project.

**Impact Evaluation**

If "yes" is marked for any of the 22 environmental impact factors, a full description of the extent of the factors' impacts must be provided.

The applicant should indicate under "Impact Evaluation" which local, state, or federal agencies were contacted to determine whether there will be an impact on a particular factor.

**For example** - *The applicant contacts the Michigan Department of Environmental Quality (MDEQ) to determine if there are any hazardous waste sites located in the proposed project area. The MDEQ indicates there are no hazardous waste sites located in the project area. Therefore, the applicant would mark "no" under the impacts on the front side of the attachment, and would indicate on the reverse side they had checked with MDEQ and there are no hazardous waste sites in the area.*

**Provide the Proposed Schedule**

If the cumulative impacts of all the factors indicate that an Environmental Assessment (EA) or Environmental Impact Statement (EIS) is warranted, or the applicant has determined that an EA or EIS is otherwise necessary, indicate the proposed schedule for completing these items.





### **Identify the Party Responsible**

Identify the party responsible for preparing the environmental documentation. This person may be contacted to provide clarification of the information provided, or to supply additional information. All documentation must clearly support the applicant's assessment of the environmental impacts of the proposed project.

### **Certification and Signature**

The signatory to Attachment E certifies that:

- The project impacts have been, or will be, considered.
- The project will comply with all applicable state and federal environmental laws, regulations and requirements.
- The applicant will obtain and comply with all necessary environmental permits.
- The person named at the bottom of the form in the field "Name" is the person who must sign the Certification Page. Signing of this document is necessary for the application to be considered.

## **Attachment F**

### **Transportation Project Information**

#### **Need**

Attachment F must be completed for each transportation project necessary to serve the economic development or redevelopment site.

When the application incorporates transportation projects from more than one road agency (state, county, city/village), separate forms must be submitted for each jurisdictional agency.

#### **Definition**

A transportation project is "a road segment that differs due to a jurisdictional, traffic or condition change."

#### **Item 1 - Transportation Project Identification**

Indicate which jurisdiction has responsibility for construction and maintenance of the road section to be constructed or improved.

#### **Item 2 - Route Description/Route To/Route From**

Identify the road segment to be constructed or changed, including route number or street name, and the boundaries of the proposed work.

*For example - Main Street from Elm Street To Walnut Street*

#### **Item 3 - County/City/Village/Township**

- Identify both the county and the city, village, or township in which the transportation project is located.
- If more than one county or local agency has jurisdiction, submit separate forms for each jurisdiction.

#### **Item 4 - Mile Point Information**

If applicable, include the beginning and ending mile point for the transportation project(s). This information is to assist the applicant in identifying the transportation project and is not required for use by the Economic Development and Enhancement Office.

#### **Item 5 - Type of Improvement**

Indicate the type of improvement proposed. Check as many as apply.

**Capacity improvement** - is needed for roadways with a high traffic volume which exceeds the maximum number of vehicles that can travel along a segment of road under acceptable operating conditions.

*For example: widen to four lanes describes a capacity-type improvement.*

**Condition improvement** - involves a roadway where more than 25 percent of either the base or surface of the road length has deteriorated. This type of improvement

does not add capacity to the road. Examples include resurfacing, reconstruction, or minor widening (half-mile or less, or under \$500,000).

**Please note:** Routine maintenance is excluded as an eligible cost for Category A funding.

**Safety improvement** - describes a project which will contribute to the prevention of accidents. Examples include the addition of turn lanes, flattening a slope, or straightening a curve.

**Site-Access project** - improves the efficiency of travel into and out of the site of the economic development project. Turn flares, or new roadways are examples. Driveways are not eligible.

### Item 6 - Type(s) of Work

Check as many as apply.

- Indicate the type of work proposed to correct the capacity, condition, safety, or site-access problem.

### Item 7 - Describe Project

Describe the transportation project for which Category A funding is requested. The narrative should describe:

- The current situation:  
**Example** - *The current roads providing access to the plant site are heavily congested. Trucks trying to enter the plant are required to make a left turn on a busy street with no left-turn lane available. Accidents have increased dramatically over the past three years and the planned expansion of the plant will create additional capacity and safety problems.*
- The project required to support the economic development project.  
**Example** - *The proposed project will widen the road from four to five lanes and signalize the intersection where truck and employee traffic enter the plant.*
- How the change will address the transportation need.  
Include information on how the project will reduce the transportation cost to the employer, customers, or other highway users.  
**Example** - *Improvements will increase safety and reduce congestion and travel time for both employees and suppliers. The reliability of the new service level will allow close coordination between production and product delivery. This is essential because of the "just-in-time" delivery system required of the company.*

### **Item 8 - Anticipated Costs**

List the anticipated costs for the transportation project by work component.

Indicate the amount of the total cost requested from Category A funding and the amount to be applied as local match.

The Cost column is the sum of the other two columns (Category A Amount Requested and Local Match)

***Please note*** - Costs incurred as local match are not subject to reimbursement from the grant.

### **Total Local Match**

If the total local match for this transportation project is less than 20 percent of the total cost, provide a statement of justification and a request for waiver.

A waiver for the required local match only applies when circumstances demonstrate a severe financial hardship.

Waivers should be requested in a letter to the Economic Development and Enhancement Office, and should be forwarded with the application.

***Please note*** - It is not necessary to match each work component individually with 20 percent local match. Local match can be comprised of part or all local costs incurred for the work components.

### **Preliminary Engineering**

Frequently, local agencies prefer to complete the preliminary engineering and design work prior to submitting the EDF application. This approach allows the applicant to determine with greater certainty what the actual costs of construction will be.

### **TIFA Funds**

If any of the project costs will be paid for with school taxes captured through a Tax Increment Finance (TIFA) district, a letter of support from the local school district will be necessary as part of Attachment C.

If the TIFA monies involve captured non-school taxes only, a letter from the local school district will not be needed.

### **Engineering Costs**

The grant applicant may receive local match credit for any engineering costs related to the transportation project, including early preliminary engineering, preliminary engineering and construction engineering.

### **Right of Way Costs**

Eligibility - Land necessary for the road improvement is eligible as a project cost. Right-of-way can be used as match if the land is being donated by private entity, or is being purchased or has recently been purchased by the local agency. Land not needed for road right-of-way, but which is in a lot or parcel, is not eligible as match or as a reimbursable cost.

Documentation - Documentation of the value of the right-of-way is necessary in order for it to be an eligible cost. As is the case with engineering costs, certain minimum requirements must be met in order to use right-of-way as match or to be reimbursed from grant monies. The grant applicant will need to provide documentation of the right-of-way value (fair market appraisals).

### **Other (Indicate)**

This refers to other infrastructure (e.g. water, sanitary sewer, storm sewer, and electric service).

When existing utilities are required to be moved to accommodate the road construction, those costs are eligible for grant participation and should be listed under "Other." However the relocation of the utilities due to the development itself is not an eligible item.

The cost associated with the portion of new storm sewer service necessitated by run-off from only the roadway itself is an eligible EDF cost and should be listed under "Other." All run-off other than from the roadway (e.g. parking lots, roofs, and surrounding properties) should not be included in the grant application.

## **9 - Construction Beginning Date**

List the month and year road construction is expected to begin. If this project will be constructed over two or more construction seasons, list the years for both beginning and completion of construction.

Projects cannot be advertised for bidding until after the grant has been approved.

Completion Time - The construction contracts of all road projects funded with Category A monies must be initiated within two years of the grant award. Projects not initiated within that time frame will be reviewed and a determination made whether to withdraw the grant monies, or to grant an extension for completion of the project.

## **Item 10 - Sources for Local Match**

Provide funding source information for the match amount.

Indicate whether the match is from a local agency, private economic development firms, or other agencies. If more than one type or source of match is involved, indicate the dollar amount for each.

**Item 11 - Existing Condition/Proposed Change**

Indicate the existing condition and proposed change for the seven items listed.

Surface Type Codes		Base Condition Codes	
1	Gravel and similar	1	Excellent
2	Bituminous surface	2	Good
3	Concrete	3	Fair
4	Freeway-designed bituminous concrete on aggregate base	4	Poor
5	Other	5	Very poor

If the project is for the construction of a new roadway, leave "Existing Condition" blank. Pavement Management Systems (PMS) are available to provide consistent measurements of the surface condition of the road. Include the "PMS Surface Rating Number" for existing roads and the proposed PMS Surface Rating for a 10- to 15-year design life. For new roads, not yet constructed, list only the proposed PMS Surface Rating.

Michigan Technological University (MTU) has information on the PASER Pavement Management System. The PASER System uses a rating system from 1 (very poor) to 10 (excellent). Other PMS systems can be used, however, the numbers need to be converted to the 1-to-10 rating system in order to avoid confusion. Information and assistance in using the PASER System is available through MTU's Local Technical Assistance Center at 906-487-2102.

**Item 12 -** Complete the following for new roadways, capacity, condition and safety projects.

**Definitions**

**Existing -** If the project is for construction of a new roadway where none currently exists, leave the "Existing" column blank.

**Last column -** The final column is for "Design Year Traffic," which is the estimated traffic 20 years after completion of the road project.

**Average Daily Traffic (ADT) -** The average number of vehicles traveling daily along a segment of roadway. ADT information must be based on recent traffic counts, and should not be older than two years.

**30th High Hour (DHV) -** The design hour traffic volume that was exceeded by 29 hourly volumes. For divided highway, enter the directional 30th high hour. If DVH is unknown, use 10% of ADT.

**Percent Commercial Vehicles -** The percent of ADT that includes buses, single-units (over

10,000 pounds GVW) and combination trailer trucks daily along a segment of roadway. The traffic information should not be older than two years. Use whole percentages only.

**Level of Service** - A qualitative measure describing operational conditions within a traffic stream during 30th high hour (see above).

Level of Service is a quality measure describing operational conditions within a traffic stream, generally in terms of such service measures as speed and travel time, freedom to maneuver, traffic interruptions, comfort and convenience. Each level of service represents a range of operating conditions and the driver's perception of those conditions.

Six levels of service are defined, A through F.

LOS A represents the best operating conditions and LOS F the worst.

LOS A

The highest quality of traffic service, when motorists are able to travel at their desired speed.

Completely free-flow conditions.

Vehicles are almost completely unimpeded in their ability to maneuver within the traffic stream.

Progression is extremely favorable and most vehicles arrive during the green phase of a traffic light.





## LOS B

There is reasonable free flow of traffic, and free flow speeds are maintained  
Average speeds are the same as in LOS A.

The ability to maneuver within the traffic stream is only slightly restricted, and the general level of physical and psychological comfort provided to drivers is still high.

The effects of minor incidents and point breakdowns are still easily absorbed.



## LOS C

There is a free flow of traffic with speeds at or near the free flow speed. Freedom to maneuver within the traffic stream is noticeably restricted, and lane changes require more care and vigilance on the part of the driver. Minor incidents may still be absorbed, but the local deterioration in service will be substantial. Queues may be expected to form behind any significant blockage.

There are further increases in traffic flow (compared to LOS B), resulting in noticeable increases in platoon formation, platoon size, and frequency of passing impediments.

Although traffic flow is stable, it is susceptible to congestion due to turning traffic and slow-moving vehicles.

On multilane highways with an FFS above 50 mi/h, the travel speeds reduce somewhat. Minor disruptions can cause serious local deterioration in service, and queues will form behind any significant traffic disruption.



#### LOS D

Travel speed is reduced by increasing volume of traffic. Only minor disruptions can be absorbed without extensive queues forming and the service deteriorating. Traffic density begins to increase somewhat more quickly. The traffic flow is unstable.

The ability to maneuver is severely restricted due to traffic congestion. The driver experiences reduced physical and psychological comfort levels.

Passing demand is high, but passing capacity approaches zero.

Turning vehicles and roadside distractions cause major shock waves in the traffic stream.

The influence of congestion becomes more noticeable.



#### LOS E

Operations are at or near capacity, an unstable level. The densities vary, depending on the FSS. Vehicles are operating within the minimum spacing for maintaining uniform flow. Disruptions cannot be dissipated readily, often causing queues to form and service to deteriorate to LOS F.

Passing is impossible. Platooning becomes intense as slower vehicles or other interruptions are encountered.

The physical and psychological comfort afforded the driver is poor.



## LOS F

This level is considered unacceptable to most drivers.

It represents a breakdown in vehicular flow.

Heavily congested flow with traffic demand exceeding capacity. Volumes are lower than capacity and speeds are highly variable.

LOS F conditions generally exist within queues forming behind breakdown points.

Although operations at these points—and on sections immediately downstream—appear to be at capacity, queues form behind these breakdowns. Operations within queues are highly unstable, with vehicles experiencing brief periods of movement followed by stoppages.

It occurs either when vehicles arrive at a rate greater than the rate at which they are discharged or when the forecast demand exceeds the computed capacity of a planned facility.



If You Need More Information About LOS  
Refer to the 2000 Highway Capacity Manual.  
Contact your local road agency.  
Contact Karen Faussett at MDOT at 517-335-2956.

### Item 13 - For Safety Projects Only . . .

Complete this section for safety projects only.

Provide a narrative summary of the accident history of the roadway, including number and accident severity.

Copies of State Police MALI reports do **not** need to be sent.

Describe how the proposed project will remedy the accident problem.

### Item 14 - Transportation Improvement Plan

Indicate whether this project has been included in the Metropolitan Planning Organization (MPO) Transportation Improvement Plan (TIP), or the State Transportation Improvement Program (STIP). If not, indicate when the project will be added.

**Please note** - *The project is not required to be on a TIP in order to be awarded a Category A grant. The project will, however, need to be added to the TIP prior to expending any grant monies. If the project is included in a TIP, indicate the year, page number, and item number in the TIP where the project is listed. In southern lower Michigan, the counties listed below are in an air quality maintenance area. Certain types of transportation projects in those counties are required to be included in an air quality conformity analysis.*

Allegan	Macomb
Bay	Monroe
Genesee	Oakland
Kent	Ottawa
Livingston	St. Clair
Midland	Washtenaw
Muskegon	Wayne
Saginaw	

For projects located in any of the above counties, indicate whether the project was included in the air quality conformity analysis. If not, explain why.

**For example:** *certain types of projects are exempt from the requirement that a conformity determination be made. Such projects may proceed toward implementation even in the absence of a conforming transportation plan and TIP.*

### **Exempt Projects**

Examples of projects exempt from an air quality conformity analysis include:

- Railroad/highway crossing
- Safer non-federal-aid system roads
- Shoulder improvements
- Safety improvements
- Traffic control devices and operating assistance other than signalization projects
- Railroad/highway crossing warning devices
- Pavement resurfacing and/or rehabilitation
- Adding medians
- Truck climbing lanes outside the urbanized area
- Widening narrow pavements or reconstructing bridges (no additional travel lanes)
- Intersection channelization projects
- Signalization projects at individual intersections
- Interchange reconfiguration projects
- Changes in vertical and horizontal alignment

### **Item 15 - Federal Funds**

Indicate whether any federal monies will be used for any of the project costs.

If so, list the type of federal monies which will be used.

### **Certification**

Each Attachment F must be signed in ink by the director of the road agency having jurisdiction for that road segment.

By signing the attachment, the individual certifies that:

- The information provided is accurate.
- A minimum of 20 percent of the total costs of the transportation project will be from non-Category A monies.
- The agency will complete the project.
- The agency is an equal opportunity employer.

## ***Attachment G***

### ***Costing Worksheet***

#### **Purpose**

The costing worksheet breaks out components of the construction phase for individual cost consideration. The costing worksheet is to assist with developing a cost estimate for the proposed transportation project(s).

#### **Item 1 - Route Description**

List the route number or street name of the proposed project along with the project limits (from and to).

#### **Item 2 - Construction Costs**

Please check all items within the construction costs section that applies to the transportation project and complete the estimated cost for the appropriate sections. The total construction cost figure should support the cost figure for Road Construction in item 8 of Attachment F.

#### **Items 3 to 6 - Location/Type**

EDF grants are limited to public roads only. Further, for any development that requires shipments that are subject to seasonal load restrictions, the road must be open to truck traffic and must be built to all-season design standards. Therefore, the cost estimates should reflect all-season standards. Please indicate the current and planned use of the road in items 3-6.

#### **Item 7 - Minimum Design Standards**

Indicate whether there is a local ordinance requiring specific minimum design standards (e.g. concrete). If yes, include a copy of the local Class A road design standards. Attach an extra page if needed.

#### **Item 8 - Anticipated Costs**

Any special construction problems which may affect cost should be noted (e.g. subsurface condition or drainage). Also, an explanation with supporting evidence is needed to justify costly right-of-way acreage.

#### **Item 9 - Beginning Date**

If the transportation project includes right-of-way, complete the Right-of-Way section of the costing worksheet. The estimated cost should support the cost figure for right-of-way in item 8 of Attachment F.

## Attachment H - Maps and Plan View Sketch

### Map

Maps are required to show the following details:  
(Standard 8-1/2- by 11-inch maps are adequate.)

The project(s)\*

The economic development\*

The relationship of the project to the economic development\*

The relationship of the project to the rest of the local road system

Traffic volume maps showing traffic flows for the area surrounding  
both the economic development and the transportation projects(s)

Maps must provide information about both:

Current traffic

Traffic with the development in place

The map of the transportation project should **clearly** identify the location of the development. This information is necessary to determine whether there is a transportation need, what safety factors should be considered, and how critical each individual road project is to the development.

### Plan View Sketch

Provide a plan view sketch of the transportation project indicating the location where major items of work are to be performed. The sketch need not be to scale. Items shown should include additional lanes, milling, paving, shoulders, curb and gutters, storm sewers, etc.

**Please note** - A detailed engineering plan is *not* required as part of the application.

## Submitting Your Application

### Submitting Online

Before you submit:

You must **complete the signature/certification** process because you will not have access to it after you submit. For this same reason, print file copies before you submit.

When you are ready to submit:

From any application page, click the submit button.

Please note - When you submit your application electronically, you **do not** mail the paper application to MDOT, just the certification page.

If you have any questions, please call 517-241-4778.

### Submitting On Paper

Mail completed application and attachments to:

Michigan Department of Transportation  
Transportation Economic Development and Enhancement  
P. O. Box 30050  
Lansing, Michigan 48909

If you have any questions, please call 517-335-1069.



## **Glossary of Terms**

**Accessibility** - Provides or improves access to the site of an economic development project.

**Accident History** - The number of accidents that have occurred in the area affected by the transportation project over the past five years; the total number of accidents by severity, by year. Information can be obtained from the Michigan State Police MALI records.

**Average Daily Traffic (ADT)** - The average number of vehicles traveling daily along a segment of roadway. Average daily traffic information must not be older than two years.

**Capacity** - The maximum number of vehicles that can travel along a segment of road under acceptable operating conditions.

**Certification Statement** - A statement required to be submitted by an authorized official of the lead applicant agency, which certifies that all the statements in the application to the EDF are true.

**Commercial Vehicle Traffic** - The number of buses, single-unit (over 10,000 gross vehicle weight) and combination trailer trucks traveling daily along a segment of roadway. Average commercial traffic information must not be older than two years.

**Condition Improvement** - Resurfacing, reconstruction, or minor widening. A condition improvement does not add capacity to the road.

**Current Roadway Data** - The current road information based on field surveys. The impact of the economic development project is not included in this information.

**Economic Development Project** - The private investment in one of the target industries that generates the need for the proposed transportation project(s). This can be a complete, separate facility, or the incremental expansion of, reinvestment in, or redevelopment of an existing plant.

**Eligible Applicant** - The Michigan Department of Transportation, a county road agency, or a city or village street agency.

**Evidence of Financial Viability** - Demonstration of the likely profitability of the proposed economic development project. Examples include annual reports, business plan summary, or reference letters from credit organizations.

**Full-Time Equivalent Positions (F.T.E's.)** - The total number of hours worked annually, including paid holidays, sick leave, and vacation days, divided by 2080.

**Indirect Jobs** - Jobs that may be created in or attracted to an area by the proposed economic development project which are the result of spending by local employees at the project, but which are in other sectors of the local economy, such as retailing. Jobs that are the result of the "multiplier effect" of basic income, and which are not to be counted in the total of employment attributable to the proposed economic development project.

**Lead Applicant** - The agency responsible for coordination of the project and the application, when transportation projects involve more than a single road agency.

**Level of Service** - A qualitative measure describing operational conditions within a traffic stream during the 30th high hour.

**Local Match** - The amount of funds or in-kind contributions, such as right-of-way, provided by all non-Category A sources toward the total eligible costs for the transportation project.

**Location Factor** - Attributes of a site that are considered by an industry in locating its facilities. These will be different for each industry. Examples include, freeway access, land price, proximity to natural resources, suppliers or markets, or quality of life in the surrounding community.

**Non-Transportation Infrastructure** - Public investment and utilities, other than roads: storm drainage, sanitary sewer, water supply, electric or gas service, and fire service adequate to serve the development.

**Permanent Jobs** - Employment at the proposed economic development project by the investor, as distinguished from temporary employment in construction and related industries during construction of the plant. Intermittent or part-time jobs can be included if the positions are regularly scheduled on a seasonal basis.

**Redevelopment** - Efforts to assist or encourage job creation or retention in an area having experienced or having significant potential to experience job loss.

**Resolution of Support** - A certified document of a resolution by the governing body.

**Retained Jobs** - Jobs that would be transferred outside of Michigan, laid off, or lost due to closure of the firm.

**Safety Improvement** - A transportation project which will contribute to the prevention of accidents.

**Site-Access Improvement** - A project that improves the efficiency of travel into and out of the site of the economic development project. Turning flares, or new roadways are examples.

Site Plan - Architectural drawings showing the location of the economic development project and disclosing the intended use of all space at the site. This would include, but not be limited to, building size and locations, access to the site, parking and internal circulation on the site.

Support Services - Basic community services, usually provided by local governmental agencies or private providers, such as solid and hazardous waste disposal, fire and police protection.

Target Industries - One of the following industries:

- Agriculture and food processing

- Tourism

- Forestry

- High-technology research

- Manufacturing

- Mining

- Office centers of not less than 50,000 square feet

Tourism - Attraction of visitors to the natural, historical or cultural resources of Michigan.

Travel Demand - Estimated average daily volume of trips generated by the economic development project. This includes both passenger and commercial vehicle traffic.

Transportation Project - A road segment that differs because of jurisdiction, traffic, or condition change.

Type of Improvement - A transportation need to be addressed by the transportation project. The four eligible types are: condition, safety, capacity, or site-access.

30th High Hour - Design hour traffic volume that was exceeded by 29 hourly volumes.

## Summary of Who to Contact

Type of Information	Who to Contact	Phone
General info about application	MDOT Economic Development and Enhancement Office	517-335-1069
Help with TEDS software on the web	MDOT TEDS Help desk TEDSSupport@michigan.gov	517-241-4778
Prime or unique farmlands or Act 116 lands	Michigan Department of Natural Resources	517-373-3328
Prime or unique farmlands or Act 116 lands	Soil Conservation Service	231-876-0328
Historical or archeological sites	Michigan Historical Center Michigan Department of State Environmental Review	517-335-2721
Endangered plant or animal species	Michigan Department of Natural Resources, Wildlife Division	517-373-1263
Hazardous waste	Michigan Department of Environmental Quality	517-373-9540
PASER Pavement Management System	Michigan Technological University	906-487-2102
Level of Service (LOS)	MDOT - Karen Faussett	517-335-2956

## Submitting Application

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If you choose to submit your application on paper, mail it to the address below.

Michigan Department of Transportation  
Transportation Economic Development and Enhancement  
P.O. Box 30050  
Lansing, MI 48909